

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
High-Cost Universal Service Support)	WC Docket No. 05-337

**PETITION FOR WAIVER BY THE WEST VIRGINIA RURAL COMPANIES OF
SECTIONS 54.313(A)(10) AND 54.318(I) OF THE COMMISSION'S RULES OR, IN
THE ALTERNATIVE, REQUEST FOR TEMPORARY WAIVER AND SUPPORT FOR
THE PENDING REQUEST FOR RULEMAKING TO MODIFY SECTION 54.318(I) OF
THE COMMISSION'S RULES**

**Armstrong Telephone Company – Northern
Division,
Armstrong Telephone Company – West Virginia
Hardy Telecommunications, Inc., and
Spruce Knob Seneca Rocks Telephone, Inc.**

Thomas J. Moorman
Woods & Aitken LLP
2154 Wisconsin Ave, N.W. Suite 200
Washington, D.C. 20007
Telephone: (202) 944-9500
Facsimile: (202) 944-9501
tmoorman@woodsaitken.com

and

James A. Overcash
Woods & Aitken LLP
301 South 13th Street, Suite 500
Lincoln, NE 68508
Telephone: (402) 437-8500
Facsimile: (402) 437-8558
jovercash@woodsaitken.com

Date: February 5, 2013

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SUMMARY

The West Virginia Rural Companies noted herein respectfully request an on-going waiver of the method used to determine if an incumbent local exchange carrier (“ILEC”) has satisfied the rate floor requirements as set forth in 47 C.F.R. §54.318(i), and the method used to satisfy rate comparability reporting requirements set forth in 47 C.F.R. §54.313(a)(10) for the local service rates and rate plans that each of the Companies has in place. Since the scope of the instant request is effectively the same relief that is the subject of a similar request made by Frontier Communications Corporation (“Frontier”), the West Virginia Rural Companies also respectfully request an expedited comment period, as well as a prompt grant of this request in light of the June 1, 2013 deadline for the submission of certain of this information.

The waiver is necessary based on the specific manner in which the Public Service Commission of West Virginia has established basic local service rates and rate plans. Good cause exists to support this requested waiver and the prompt grant of the waiver is in the public interest. In the alternative, should the Commission not grant the full extent of the waiver requested herein, the West Virginia Rural Companies request that the Commission grant each of the West Virginia Rural Companies a temporary waiver and accept this petition as support for the currently pending request (similar to that made herein) by Frontier for modification of Section 54.318 of the Commission’s Rules.

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**PETITION FOR WAIVER BY THE WEST VIRGINIA RURAL COMPANIES OF
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THE ALTERNATIVE, REQUEST FOR TEMPORARY WAIVER AND SUPPORT FOR
THE PENDING REQUEST FOR RULEMAKING TO MODIFY SECTION 54.318(I) OF
THE COMMISSION’S RULES**

Armstrong Telephone Company – Northern Division (“Armstrong-ND”), Armstrong Telephone Company – West Virginia (“Armstrong-WV”), Hardy Telecommunications, Inc. (“Hardy”), and Spruce Knob Seneca Rocks Telephone, Inc. (“Spruce Knob”) (collectively referred to as the “West Virginia Rural Companies” or “Companies”) hereby request an on-going waiver of the method used to determine if an incumbent local exchange carrier (“ILEC”) has satisfied the rate floor requirements as set forth in 47 C.F.R. §54.318(i), and the method used to satisfy rate comparability reporting requirements set forth in 47 C.F.R. §54.313(a)(10) for the local service rates and rate plans that each of the Companies has in place.

I. INTRODUCTION

The West Virginia Rural Companies request a waiver of 47 C.F.R. §§54.318(i) and 54.313(a)(10). A grant of the requested waiver will allow each of the Companies to use a weighted average of all of their respective basic local service rate plans for applying the rate floor and rate comparability requirements to their operations and to report those results to the

Federal Communications Commission (the “FCC” or the “Commission”), the Universal Service Administrative Company (“USAC”) and the Public Service Commission of West Virginia (the “WVA PSC”). As explained below, the waiver is necessary based on the specific manner in which the WVA PSC has established basic local service rates and rate plans. Although the current weighted averages for the West Virginia Rural Companies would satisfy the rate floor and rate comparability requirements, there are specific rate plans that are not above the rate floor and specific plans that would exceed the residential rate ceiling on a comparability basis.¹ However, when a weighted average of the usage and take rates is calculated for all of the rate plans, there are no such impacts vis-à-vis the referenced rules.

Good cause exists to support this requested waiver and the prompt grant of it is in the public interest.² In these circumstances, a grant of this on-going waiver will permit the rural consumers that receive their basic local exchange service from one of the West Virginia Rural Companies to avoid the possibility of significant changes in their chosen state-prescribed local rates and rate plans. A prompt grant of this waiver request will also allow the Companies to each receive their federal Universal Service Fund (“USF”) high cost loop support in full (*i.e.*, without the offset that would be required by the application of local rate floor rule prescribed by the Commission), and thus provide proper USF recovery to the Companies that can be used for their respective provision of universal service in rural areas of West Virginia.³ In the alternative, should the Commission not grant the full extent of the waiver requested herein, the Companies

¹ As noted by Frontier, the current rate comparability benchmark is \$36.52. *See Frontier Petition* at 6, n.26.

² The West Virginia Rural Companies note that prompt action on this requested waiver is requested in light of June 1, 2013 reporting requirements associated with local rates and lines. *See* 47 C.F.R. §54.313(h)(1) (line and rate information to be reported “in effect as of June 1”)

³ *See* 47 C.F.R. §54.318(f).

request that the Commission grant each of the West Virginia Rural Companies temporary waiver and accept this petition as support for the currently pending request (similar to that made herein) by Frontier Communications Corporation (“Frontier”) for modification of Section 54.318 of the Commission’s Rules.⁴

Because the scope of the instant request is effectively the same relief that is the subject of the *Frontier Petition*, the West Virginia Rural Companies also request an expedited comment period for the instant request. Since the same relief and the propriety of it will have effectively been addressed by interested parties during the comment/reply comment phase associated with the *Frontier Petition*, the Companies respectfully submit that the processing of the *Frontier Petition* along with the made in the instant request will advance administrative efficiency and the ends of justice.⁵

II. BACKGROUND

The West Virginia Rural Companies each operate as an ILEC in rural portions of West Virginia⁶ and each are subject to rate of return regulation in the interstate jurisdiction. Additionally, each of the West Virginia Rural Companies has been designated an eligible telecommunications carrier (“ETC”) within their respective service area by WVA PSC and each receives high-cost support from the federal USF. Additionally, all of the West Virginia Rural Companies are ILECs and thus have carrier of last resort responsibilities in West Virginia within

⁴ See Public Notice, DA 13-38, released January 11, 2013; *see also* Frontier Communications Corporation Petition for Waiver, WC Docket Nos. 10-90 and 05-337, filed December 7, 2012 (the “*Frontier Petition*”). As noted in the referenced Public Notice, comments on the *Frontier Petition* are due on or before February 11, 2013 with reply comments due on or before February 26, 2013.

⁵ See 47 U.S.C §§154(j).

⁶ Declarations from the management of each of the West Virginia Rural Companies are provided herein as Exhibit A.

their respective service areas. The Companies provide their basic local exchange service under four different rate plans. These basic local service rate plans have been reviewed and approved by the WVA PSC. The plans offered by each of the West Virginia Rural Companies are summarized in Exhibit B.⁷

As outlined in the earlier comments submitted in this proceeding by Frontier,⁸ the WVA PSC established in the 1980s an overarching rate design and pricing regime for the provision of telephone exchange services that was then implemented via tariffs filed with and approved by the WVA PSC.⁹ While the rates for each of the West Virginia Rural Companies may be different (as may also be true for the names of the specific offerings within the plans), the general description of the “Thrifty Caller,” “Community Caller,” “Community Plus Caller” and “Frequent Caller” plans identified by Frontier¹⁰ are also each provided by the West Virginia Rural Companies.¹¹

The West Virginia Rural Companies previously supported and continue to support the WVA PSC’s efforts to develop local rate calling plans that maximize West Virginia end user/consumers options based on their local calling needs.¹² At the same time, however, the

⁷ As permitted by the Commission, the West Virginia Rural Companies note that average usage is added to the fixed local rate where applicable to determine the actual local rate for purposes of applying the rate floor offset. *See In the Matter of Connect America Fund, et al., Third Order on Reconsideration*, WC Docket No. 10-90, *et al.*, FCC 12-52, released May 14, 2012 (“*Third Reconsideration Order*”) at ¶22. The rates in Attachment A reflect the fixed rate portion of each West Virginia Rural Companies’ offerings.

⁸ *See* Comments of Frontier Communications Corporation, In the Matter of Connect America Fund, WC Docket No. 10-90, filed September 28, 2012 (“Frontier Comments”) at 4.

⁹ *See* Frontier Comments at 4-5.

¹⁰ *See* Frontier Comments, at 4-5 and Attachment A.

¹¹ *See* Exhibit B.

¹² To that end, the West Virginia Rural Companies supported the Frontier request for action referenced in the Frontier Comments (*see* West Virginia Rural Companies Ex Parte Presentation,

West Virginia Rural Companies do not believe that, under the specific circumstances applicable to ILECs operating in West Virginia, 47 C.F.R. §§54.318(i) and 54.313(a)(10) should be applied in a manner that reduces the availability of federal USF disbursements to those carriers committed to serve the higher cost rural areas of the State of West Virginia. This is particularly true where the rate structures are as a result of action by, and implemented and approved by, the WVA PSC.

Absent the relief requested by this waiver (and similar to the impact on Frontier demonstrated in the *Frontier Petition*), the application of the Commission's regulations will reduce to a more significant degree the federal USF high-cost loop support that each of the West Virginia Rural Companies would receive after application of the \$14 benchmark rate established by the Commission beginning on July 1, 2013.¹³

Beginning in 2013, and assuming continued eligibility for high-cost loop support based on the current national average cost per loop, the West Virginia Rural Companies' high-cost support will be reduced because of the impact of the rate floor rule. Based on end of year 2012 data which was then annualized, absent a grant of the instant waiver request, the West Virginia Rural Companies respectfully submit that the following table summarizes those impacts.

In the Matter of Connect America Fund, WC Docket No. 10-90, filed November 13, 2012, which is incorporated herein by referenced) and note that the request was also supported by the WVA PSC and the West Virginia Consumer advocate division as noted *infra*. See *infra* nn.15-18 and accompanying text.

¹³ See 47 C.F.R. §54.318(b). As noted by Frontier (*see Frontier Petition* at 2, and n.4 (citations omitted)), the Commission established a rate floor of \$10 in 2012 and \$14 in 2013 and, thereafter, is anticipated to adjust that rate floor to a "national urban rate" based on a Commission-sponsored annual rate survey. The West Virginia Rural Companies note that each of their federal USF high cost loop support is currently being reduced by application of the \$10 local rate floor, although the impact of such reduction is mitigated to some extent by the average local usage in each of the rate plans being added to the basic rate. See *Third Reconsideration Order* at ¶22; see also n.7, *supra*. The same level of off-setting effects will not be present once the \$14 rate floor is applied beginning July 1, 2013.

Company	Percentage of Customers with Plans Below Rate Floor	Percentage of Customers with Plans Above Rate Floor	Weighted Average Local Service Plan Charge	Percentage Decrease in HCL Support
Armstrong-ND	12%	88%	\$17.07	16%
Armstrong-WV	6%	94%	\$22.63	50%
Hardy	29%	71%	\$18.64	18%
Spruce Knob ¹⁴	32%	68%	\$16.26	1%

The West Virginia Rural Companies respectfully submit that the above information demonstrates the overall adverse impact on high-cost loop support that will be sustained absent the granting of a waiver, even when significant portions of the West Virginia Rural Companies subscribers participate in rate floor-compliant local service offering plans. The discontinuance of high-cost support in the absence of a grant of this waiver, in the Companies' view, does not reach a fair result and otherwise undermines the benefits of WVA PSC policy of providing options to consumers with respect to tailoring their local service plan to their needs – either a small local calling with per minute charges or a larger local calling area based on a flat rate per month. This information reinforces the specific nature of West Virginia's basic local rate plans,

¹⁴ Spruce Knob recognizes that the financial impact of the rate floor on its current operations is not as significant as that of the other West Virginia Rural Companies. At the same time, however, the estimate calculation for Spruce Knob, like for all entities, is based upon an assumption that the levels of demand, rates, national average loop cost, and additional factors will remain static. The future amount of high-cost loop support could be significantly reduced based upon these and other outside factors that are not reasonably predictable at this time. Thus, providing the relief to all of the West Virginia Rural Companies is appropriate to not only address currently unknown impacts but also to address a rational framework for the application of the rate floor rule in a manner that accommodates the pro-consumer choices that the WVA PSC rate design applicable to the West Virginia Rural Companies' respective local services are aimed at achieving. Moreover, allowing all West Virginia Rural Companies the relief sought and demonstrated herein will result in a consistent and thus administratively efficient procedure for the WVA PSC, FCC and the affected companies to apply.

and the conclusion that a waiver should be granted to the West Virginia Rural Companies.

To address these specific circumstances, the use of the “weighted average” approach to the calculation of the rate floor and rate comparability requirements best achieves the relevant public policy considerations underlying the implicated Commission rules. Moreover, such action also avoid any unintended conflicts with the policies advanced by the WVA PSC’s local calling plans and fairly reflects the local rates in West Virginia in relationship to the requirements to receive funds from the federal USF.

III. STANDARD FOR GRANTING WAIVER

The general standard for the granting of a waiver by the Commission from a regulation is set forth in 47 C.F.R. §1.3. This regulation states:

The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown, in whole or in part, at any time by the Commission, subject to the provisions of the Administrative Procedure Act and the provisions of this chapter. Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown.

The Commission has further explained this “good cause” standard as follows:

The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. *Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166. Waiver of the Commission's rules is appropriate only if both (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest. *NetworkIP, LLC v. FCC*, 548 F.3d 116, 125-128 (D.C. Cir. 2008); *Northeast Cellular*, 897 F.2d at 1166.¹⁵

The West Virginia Rural Companies respectfully submit that this standard has been met.

¹⁵ *In the Matter of Connect America Fund et al., Order*, WC Docket No. 10-90 et al., DA 12-2016, released December 20, 2012 at n. 9.

Accordingly, the Companies respectfully request that the Commission should promptly grant this waiver petition because it meets this standard, and therefore, a grant of this request is in the public interest. Further, granting the petition is consistent with the Commission's universal service policies based upon the specific circumstances in West Virginia.

IV. GRANTING OF WAIVER WOULD SERVE PUBLIC INTEREST

The prompt grant of the requested waiver to the West Virginia Rural Companies is in the public interest. Special circumstances in the State of West Virginia (and thus specific facts) exist and arise from the actions taken by the WVA PSC. With respect to the special circumstances, over two decades ago, the WVA PSC fully examined local rates and rate structures based on then existing circumstances within the State of West Virginia. At that time, the WVA PSC determined it to be in the best interest of West Virginia consumers for telephone companies to provide the consumer with a choice of basic local rate plans. The public interest benefits of that determination continue today. The benefits that optimize a consumer's choice of state-specified basic local rate plans should not be reversed because of the unintended consequences arising from the application of the Commission's universal service regulations.

With respect to the current rate structures used by the West Virginia Rural Companies (which are analogous to the rate structure used by Frontier), the WVA PSC has stated that the structures provide West Virginia customers "an affordable option for telecommunication services that actually protects the USF by operating in lieu of Lifeline services."¹⁶ Further, the WVA PSC has indicated that, with respect to the West Virginia market, "the combination of low average incomes, rural mountainous terrain, and relatively elderly population all weigh in favor

¹⁶ Motion to File Comments and Comments of the Public Service Commission of West Virginia, WC Docket No. 10-90, filed October 31, 2012 ("WVA PSC Comments") at 1.

of the Commission designing its rate floor in a manner that permits the largest number of available telecommunication options instead of penalizing West Virginia telecommunication providers for providing inexpensive option, particularly in a state with large areas bereft of cellular service.”¹⁷

That the result being sought by this waiver request advances the specific public interest of rural West Virginians is best illustrated by the WVA PSC’s stated support for the use of a weighted average mechanism for use in determining compliance with the Commission’s rate floor and rate comparability regulations.¹⁸ The Consumer Advocate Division of the Public Service Commission of West Virginia also supports the use of an average rate analysis in determining whether rates satisfy the regulatory requirements issued by the Commission.¹⁹

The Companies respectfully submit that these conclusions reach by the WVA PSC should be given deference by the FCC as the FCC addresses this waiver request. The WVA PSC is the regulatory authority responsible for intrastate telecommunications services provided in West Virginia. And, in a manner advancing the interests of rural consumers living there, the WVA PSC has determined the rate design with respect to the choices available to consumers regarding the provision of basic local exchange rate plans. In making this determination, the WVA PSC appears to have considered the universal service implications of its decision and did not set unreasonably low local service rates.

To this end, the West Virginia Rural Companies respectfully submit that the underlying rationale of the rate floor rule will not be harmed by a grant of the requested waiver. The

¹⁷ *Id.*

¹⁸ WVA PSC Comments at 3.

¹⁹ Comments of The Consumer Advocate Division of the Public Service Commission of West Virginia, WC Docket No. 10 – 90, filed October 10, 2012.

rationale for the rate floor rule “was to ensure that the universal service fund was not being used to subsidize local service rates that are significantly lower than the national urban average.”²⁰

The use of the weighted average for purposes of application 47 C.F.R. §54.318(i) allows the same averaging to occur on an intra-company basis and demonstrates that the total basic local rate service product line offered by each of the Companies is not, in fact, significantly lower than other provider’s comparable service rates. Further, the rate comparability benchmark addresses the concept of a rate ceiling²¹ to make sure rates are reasonably comparable between urban and rural areas.

The rate plans that are available for West Virginia consumers range from plans that have monthly rates below the rate floor to a rate plan that has rates that may be above the rate comparability standard.²² However, a review of the rate plans reveals that the overall average of the local rates paid by the customers of the West Virginia Rural Companies complies with the rate floor requirement and is reasonably comparable.²³ Accordingly, the West Virginia Rural Companies rate plans, when examined on a weighted average basis, satisfy the Commission’s goals. West Virginia has taken timely and appropriate action to adjust local service rate plans and to be a responsible participant in the federal universal service program. If a waiver is not granted, the West Virginia Rural Companies face the choice to either forgo universal service dollars or alter the rate plans on file with the WVA PSC. Neither of these choices furthers the goals of universal service nor the interests of the rural consumers served by the Companies.

²⁰ *Third Reconsideration Order* at ¶15.

²¹ *See* 47 C.F.R. §54.313(a)(10).

²² *See* Exhibit B.

²³ *See* n. 10, *supra*.

The Commission has set reasonable goals regarding universal service and the requirement that all consumers and states that receive universal service dollars receive these dollars based upon local service rates being set in the state at a reasonable level. This objective has been achieved by the State of West Virginia and West Virginia consumers should now not be punished because of the choices available to them that the WVA PSC believes best serve the West Virginia marketplace.

V. IF A PERMANENT WAIVER IS NOT GRANTED, THE WEST VIRGINIA RURAL COMPANIES SUPPORT THE COMMENCEMENT OF A RULEMAKING AND REQUEST A TEMPORARY WAIVER

Although the West Virginia Rural Companies believe that an on-going waiver of 47 C.F.R. §§54.313(a)(10) and 54.318(i) should be granted for the reasons demonstrated above, if the Commission does not grant the waiver as requested herein, the Commission should grant the West Virginia Rural Companies a temporary waiver of 47 C.F.R. §§ 54.313(a)(10) and 54.318(i) and begin a rulemaking proceeding as requested by Frontier. This rulemaking proceeding would consider the addition of the Frontier-suggested revision to 47 C.F.R. §54.318(i)²⁴ for the purpose of satisfying the rate floor and assessing rate comparability standards in a state where customers have service plan choices with state commission approved rate structures.

VI. CONCLUSION

The West Virginia Rural Companies seek the use of the “weighted average” approach articulated by Frontier in Frontier’s waiver petition. This use of this method is in the public interest and supported by the state commission. For the reasons stated, the waiver should be granted regarding the Commission’s requirements as set forth in the Commission’s rule

²⁴ See *Frontier Petition* at 9.

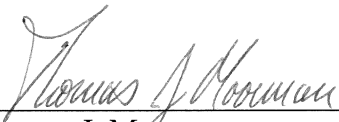
§54.318(i), and §54.313(a)(10). Such action will serve and advance the public interest associated with the provision of universal service within West Virginia. If a permanent, on-going waiver is not granted, the West Virginia Rural Companies support the commencement of a rulemaking, proceeding as requested by Frontier, and requested a temporary waiver of Commission rules to the extent requested herein.

Date: February 5, 2013.

Respectfully submitted,

**Armstrong Telephone Company – Northern
Division,
Armstrong Telephone Company – West Virginia
Hardy Telecommunications, Inc., and
Spruce Knob Seneca Rocks Telephone, Inc.**

By:



Thomas J. Moorman
Woods & Aitken LLP
2154 Wisconsin Ave, N.W. Suite 200
Washington, D.C. 20007
Tel. (202) 944-9500
Fax (202) 944-9501

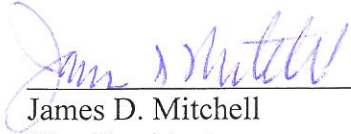
James A. Overcash
Woods & Aitken LLP
301 South 13th Street, Suite 500
Lincoln, NE 68508
Telephone: (402) 437-8500
Facsimile: (402) 437-8558
jovercash@woodsaitken.com

Their Attorneys

Exhibit A

DECLARATION

I, James D. Mitchell, Vice President of Armstrong Telephone Company – West Virginia (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Petition for Waiver by the West Virginia Rural Companies of Sections 54.313(a)(10) and 54.318(i) of the Commission's Rules or, in the Alternative, Request for Temporary Waiver and Support for the Pending Request for Rulemaking to Modify Section 54.318(i) of the Commission's Rules" and the factual information contained therein regarding the Company is true and accurate to the best of my knowledge, information, and belief



James D. Mitchell

Vice President

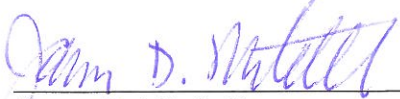
Armstrong Telephone Company – West
Virginia

2/5/13

Date

DECLARATION


I, James D. Mitchell, Vice President of Armstrong Telephone Company – Northern Division (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Petition for Waiver by the West Virginia Rural Companies of Sections 54.313(a)(10) and 54.318(i) of the Commission's Rules or, in the Alternative, Request for Temporary Waiver and Support for the Pending Request for Rulemaking to Modify Section 54.318(i) of the Commission's Rules" and the factual information contained therein regarding the Company is true and accurate to the best of my knowledge, information, and belief



James D. Mitchell

Vice President

Armstrong Telephone Company – Northern
Division



Date

DECLARATION

I, D. Scott Sherman, General Manager & Chief Executive Officer of Hardy Telecommunications, Inc. (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Petition for Waiver by the West Virginia Rural Companies of Sections 54.313(a)(10) and 54.318(i) of the Commission's Rules or, in the Alternative, Request for Temporary Waiver and Support for the Pending Request for Rulemaking to Modify Section 54.318(i) of the Commission's Rules" and the factual information contained therein regarding the Company is true and accurate to the best of my knowledge, information, and belief.

D. Scott Sherman

Date: 02/05/2013

D. Scott Sherman
General Manager & Chief Executive Officer
Hardy Telecommunications, Inc.

DECLARATION

I, Vickie L. Colaw, General Manager of Spruce Knob Seneca Rocks Telephone, Inc. (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Petition for Waiver by the West Virginia Rural Companies of Sections 54.313(a)(10) and 54.318(i) of the Commission's Rules or, in the Alternative, Request for Temporary Waiver and Support for the Pending Request for Rulemaking to Modify Section 54.318(i) of the Commission's Rules" and the factual information contained therein regarding the Company is true and accurate to the best of my knowledge, information, and belief.



Vickie L. Colaw
General Manager

Date: February 5, 2013

Exhibit B
West Virginia Rural Companies

Optional Local Calling Service Plans as of December 31, 2012

Page 1 of 2

Armstrong Telephone Company – Northern Division

Thrifty Caller Plan -- \$4.45 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$10.20 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$17.20 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$24.50 flat-rated (unlimited calling) for all calls terminating within the local calling area.

Armstrong Telephone Company – West Virginia

Thrifty Caller Plan -- \$5.00 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$11.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$20.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$34.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.

Exhibit B
West Virginia Rural Companies

Optional Local Calling Service Plans as of December 31, 2012

Page 2 of 2

Hardy Telecommunications, Inc.

Basic Plan -- \$10.00 fixed rate which includes up to \$3.00 of local usage within the end user's home exchange, plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Calling Plan -- \$15.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Plus Plan -- \$21.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Premium Plan -- \$28.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.

Spruce Knob Seneca Rocks Telephone, Inc.

Thrifty Caller Plan -- \$6.00 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$15.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$21.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$28.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.